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March 14, 2003

Honorable James H. Welsh  
Commissioner of Conservation  
State of Louisiana  
Post Office Box 44275  
Baton Rouge, Louisiana 70804-4275

Re: APPLICATION FOR PUBLIC HEARING.

Hosston Zone, Reservoir A, ELM GROVE FIELD,  
Bossier Parish, Louisiana.

Dear Sir:

J-W OPERATING COMPANY ("Applicant") hereby respectfully applies for a public hearing to consider evidence relative to the issuance of an Order pertaining to the following matters relating to the Hosston Zone, Reservoir A, in the Elm Grove Field, Bossier Parish, Louisiana:

1. To create one (1) additional drilling and production unit for the exploration for and production of gas and condensate from the Hosston Zone, Reservoir A, such unit being shown on the attached plat and being designated HOSS RA SU129.
2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed additional unit in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950, with each tract sharing in unit production on a surface acreage basis of participation.
3. To authorize Applicant to drill, designate and utilize the J-W Operating Company--Tooke Trust 36 No. 1 Well as the unit well for HOSS RA SU129 at the location shown on the attached plat, in exception to the well location provisions of Office of Conservation Order No. 361-A-1, effective October 1, 1972.
4. To designate Applicant as operator of HOSS RA SU129.
5. To expand the provisions of Office of Conservation Order No. 361-14, effective April 9, 1998, to include the Hosston Zone, Reservoir A, underlying HOSS RA SU129 so as to approve the downhole combination of production from the Hosston Zone, Reservoir A, with the intervals approved for downhole combination in Order No. 361-14.
6. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 361-A-1, effective October 1, 1972, as amended and supplemented by the Order No. 361-A series of Orders, to the proposed additional unit.
7. To discuss such other matters as may be pertinent.

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The Hosston Zone, Reservoir A, in the Elm Grove Field, Caddo, Webster and Bossier Parishes, Louisiana, was defined in Office of Conservation Order No. 361-A-1, effective October 1, 1972, and was further defined by subsequent Orders of the 361-A Series.

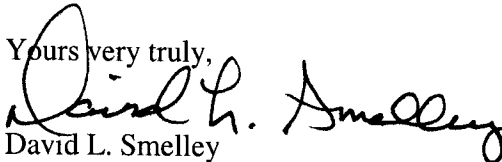
Pertinent data concerning this application is available for inspection at the offices of Mr. Joe B. Adams, 4520 Jamestown Avenue, Suite 6, Baton Rouge, Louisiana 70808. Any person wishing to inspect such data should call Mr. Adams at (225) 929-6097 during normal business hours in order to arrange a date and time for such inspection. A copy of any such data which is not otherwise available at the Office of Conservation can be obtained from Applicant at the expense of the requesting party. Any questions related to the location of the proposed well should be directed to Ms. Janet Sanford at J-W Operating Company (972) 233-8191.

By letter dated March 3, 2003, Applicant gave notice, in accordance with the Revised Rules of Procedure, of its intention to apply for a public hearing concerning these proposals and set March 24, 2003, as the tentative date for the pre-application conference. No request for the pre-application conference was received; accordingly, no pre-application conference was held.

Pursuant to the Revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom notice of this application is being sent and has attached hereto a list of the names and addresses of such parties. A copy of the unit plat (which is identical to the plat attached to the pre-application notice) is enclosed herewith, and a copy of this letter and of the attached plat is being sent to the District Manager of the Shreveport District of the Office of Conservation and to each of the Interested Owners, Represented Parties and Interested Parties as shown on the attached list.

Applicant will provide for posting of a copy of the Legal Notice of this hearing and the enclosed plat at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of Elm Grove Field, all in accordance with the Revised Rules of Procedure. Furthermore, Applicant will mail a copy of the Legal Notice to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

Finally, enclosed herewith is our check payable to the Office of Conservation covering the application fee.

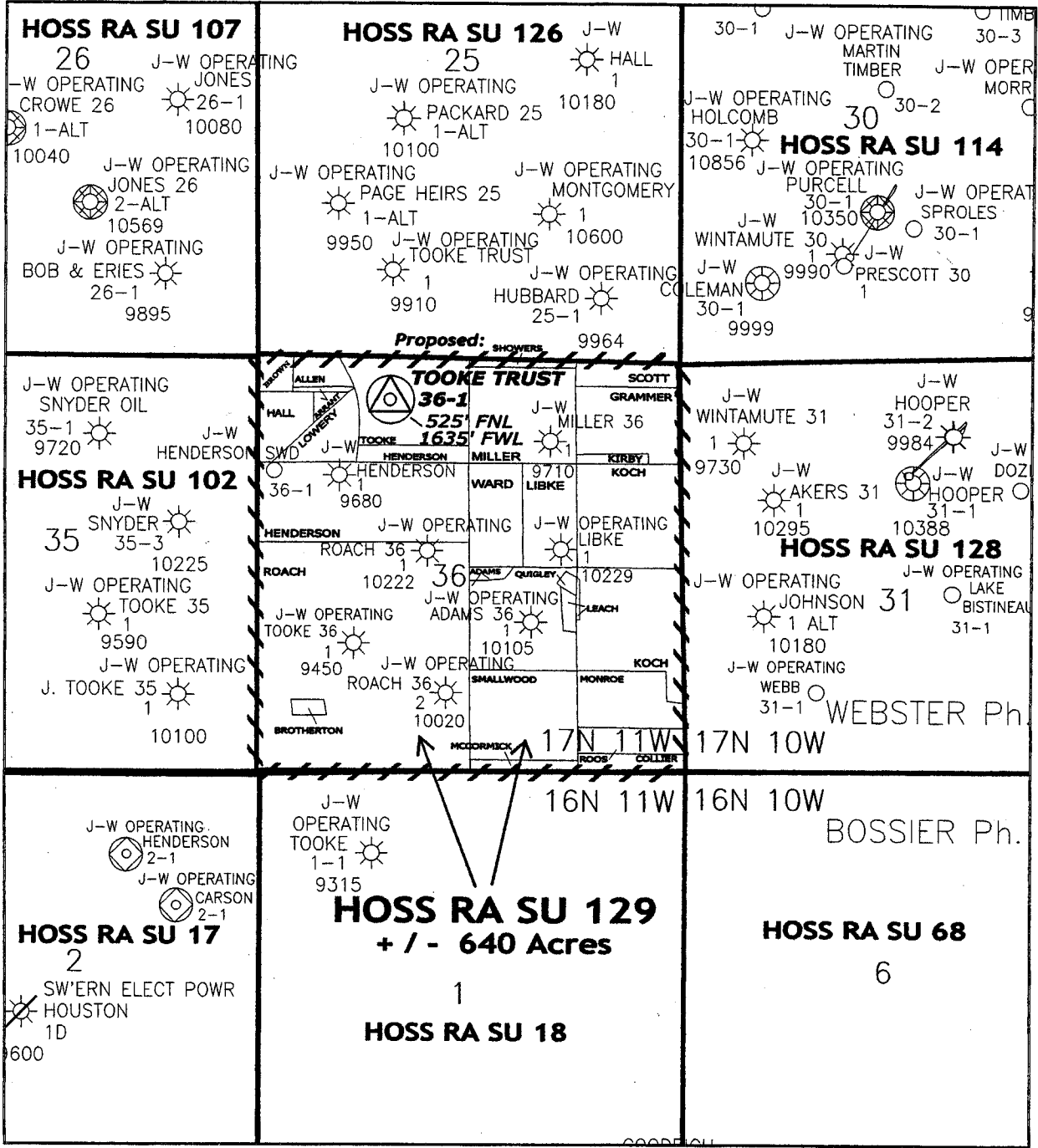
Yours very truly,  
  
David L. Smelley  
Attorney for J-W Operating Company

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DLS:dp

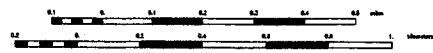
Enclosures

cc: Mr. Jim Broussard (w/encls.)  
Mr. Dave Williams (w/encls.)  
Ms. Janet Sanford (w/encls.)  
Mr. Joe B. Adams (w/encls.)  
Interested Owners, Represented  
Parties and Interested Parties (w/plat only)



**LEGEND**

- Existing Units, Order 361-A series
- Proposed Hosston Unit
- Proposed Hosston Unit Well
- Unit Well
- Approved Alternate Unit Wells
- Posted Wells > 6000'



| J-W OPERATING COMPANY   |                    |            |
|---|--------------------|------------|
| Unit Plat - Hosston Form.<br>Reservoir "A"<br>Elm Grove Field, Bossier Ph., La. |                    |            |
| Date:   | Witness: Joe Adams | Docket No. |
| Exhibit 1   | 1" = 2000'         | 03-???     |